

*"IT'S NOT ABOUT THE COFFEE"*

[FINAL Edition]

Daily Press - Newport News, Va.

Author: JAMES V. KOCH Special to the Daily Press

Date: Aug 14, 2005

Start Page: H.1

Section: OUTLOOK

Text Word Count: 779

**Document Text**

Attracting creative people to our area takes more than just cultural trendiness

Why do some cities and regions grow more rapidly than others? Professor Richard Florida thinks he knows and he has sold lots of books telling other people why. Florida's major thesis, put forth in his book "The Rise of the Creative Class," is this: "Regional growth is powered by creative people, who prefer places that are diverse, tolerant and open to new ideas."

The creative people, who are engineers, scientists, artists, musicians, etc., propel economic growth and choose to live in areas that offer eclectic lifestyles; open-mindedness and diversity of thought; numerous places for public social interaction such as coffee houses, bookstores and galleries; and, distinctive living areas such as Norfolk's Ghent that offer "authenticity." Florida asserts that it isn't jobs that are the magnet that attract the creative people, but instead, locations that offer them the illusive quality-of-life features just mentioned.

Florida's work may not have launched the proverbial thousand ships, but it has motivated and influenced scores of economic development professionals. He is frequently quoted on local and regional economic growth questions and speaks on the subject across the country. His work has been used to justify a variety of different policies designed to attract greater numbers of his creative class to specific locations.

The problem is that sophisticated statistical analyses of Florida's work provide only limited support for what he has to say. Traditional explanations of growth based upon educational levels and the extent of an area's technological development explain growth differentials better than Florida's new variables.

Florida contends that the percent of what he calls "Bohemians" in an area's population and the extent to which an area is a "melting pot" of different ethnic groups are critical determinants of economic growth. But closer analysis of 258 metropolitan areas (reported in the forthcoming 2005 "State of the Region Report") does not support these notions. Some creative people may well want to dwell among the Bohemians and have access to edgy lifestyle options, but others apparently do not. Different strokes for different folks.

To get a sense of where Florida runs aground, think about metropolitan areas that have been growing rapidly, but do not evince the population diversity and abundant eclectic living styles that Florida argues attract members of the creative class. Salt Lake City, Utah, and Boise, Idaho, immediately come to mind. Both are growing quite rapidly though neither boasts Florida's diversity. Both cities have significant Mormon populations that champion strong views concerning appropriate living styles.

New Orleans, on the other hand, has a highly diverse population, is notably tolerant of different living styles, but is economically stagnant.

The creative class is not a homogeneous group of people and therefore does not uniformly prefer specific types of metropolitan areas. Some members of the creative elite will opt for San Francisco and Boston, while others will prefer Fargo, N.D.

Fargo is among the most rapidly growing metropolitan areas, and the reasons for this include North Dakota State University and its stimulation of technological developments, plus a very well- educated and reliable work force. Eclectic, edgy lifestyles and population diversity have little relevance as explanations here, nor does climate. Florida is correct that members of the creative class vote with their feet; however, some will prefer the milieu of Fargo to that of Key West.

In his most recent book, "The Flight of the Creative Class," Florida minimizes the economic challenge of countries such as India and China because the percent of creative class individuals in those countries is relatively small. Further, in China, tolerance for Bohemian lifestyles is demonstrably limited. Yet, this exposes the boundaries of his analysis because both countries have dynamic economies growing much faster than the rest of the world.

Nonetheless, Florida is not completely off base, and he deserves major credit for making us think about the sources of regional growth. Members of the creative class (well-educated, often technologically savvy individuals) are important to the process of economic growth and wise policy-makers should attempt to attract and retain as many of them as possible. He makes a valid point when he says that the most productive regions usually tolerate diversity in a "live and let live" approach.

Here in Hampton Roads, there is abundant room for both standardized suburban tracts and edgy, "urban cool" neighborhoods, as well as for the Navy, PETA and CBN, if we are tolerant and respect our democratic traditions. We'll all be better off economically if we learn to do so. \*

Koch is president emeritus and Board of Visitors Professor of Economics at Old Dominion University.

Reproduced with permission of the copyright owner. Further reproduction or distribution is prohibited without permission.

**Abstract** (Document Summary)

The creative people, who are engineers, scientists, artists, musicians, etc., propel economic growth and choose to live in areas that offer eclectic lifestyles; open-mindedness and diversity of thought; numerous places for public social interaction such as coffee houses, bookstores and galleries; and, distinctive living areas such as Norfolk's Ghent that offer "authenticity." Florida asserts that it isn't jobs that are the magnet that attract the creative people, but instead, locations that offer them the illusive quality-of-life features just mentioned.

To get a sense of where Florida runs aground, think about metropolitan areas that have been growing rapidly, but do not evince the population diversity and abundant eclectic living styles that Florida argues attract members of the creative class. Salt Lake City, Utah, and Boise, Idaho, immediately come to mind. Both are growing quite rapidly though neither boasts Florida's diversity. Both cities have significant Mormon populations that champion strong views concerning appropriate living styles.

Fargo is among the most rapidly growing metropolitan areas, and the reasons for this include North Dakota State University and its stimulation of technological developments, plus a very well- educated and reliable work force. Eclectic, edgy lifestyles and population diversity have little relevance as explanations here, nor does climate. Florida is correct that members of the creative class vote with their feet; however, some will prefer the milieu of Fargo to that of Key West.

Reproduced with permission of the copyright owner. Further reproduction or distribution is prohibited without permission.